

1 MARC J. FAGEL (Cal. Bar No. 154425)
2 MARK P. FICKES (Cal. Bar No. 178570)
fickesm@sec.gov
3 SUSAN L. LAMARCA (Cal. Bar No. 215231)
lamarcas@sec.gov
4 JEREMY E. PENDREY (Cal. Bar No. 187075)
pendreyj@sec.gov

5 Attorneys for Plaintiff
6 SECURITIES AND EXCHANGE COMMISSION
44 Montgomery Street, Suite 2600
7 San Francisco, California 94104
Telephone: (415) 705-2500

FILED

JUL 23 2008

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

Handwritten: fce CW

10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA

CV 08

3517

12 SECURITIES AND EXCHANGE COMMISSION,
13

14 Plaintiff,

15 vs.

16 ROBERT C. BROWN, JR. AND TREBOR
COMPANY (AKA TREBOR INVESTMENT
17 COMPANY, TREBOR SEMINARS, TREBOR
GROUP AND TREBOR GROUP FUND),

18 Defendants,

19 And

20 DUANE EDDINGS, CDC GLOBAL, INC. AND
WISE INVESTORS SIMPLY EXCEL, LLC,
21

22 Relief Defendants.
23
24
25
26
27
28

Civil Action No.

DECLARATION OF WILLIAM MICHAEL
McCOMBE, JR. IN SUPPORT OF PLAINTIFF
SECURITIES AND EXCHANGE
COMMISSION'S *EX PARTE* APPLICATION
FOR TEMPORARY RESTRAINING ORDER
AND ORDER TO SHOW CAUSE RE
PRELIMINARY INJUNCTION

REDACTED [LOCAL RULE 3-17(d)]

DECLARATION OF WILLIAM MICHAEL
McCOMBE, JR.

1 I, William Michael McCombe, Jr., declare:

2 1. I make this declaration based on facts within my personal knowledge to which I am
3 competent to testify if called upon to do so. I submit this declaration in connection with the U.S.
4 Securities and Exchange Commission's Trebor Company investigation.

5 2. For the past nine years, I have worked for AT&T, and for more than the past two years
6 as an AT&T lineman in Fairfield, California. I live in Vacaville, California with my wife and two
7 children. My wife works as a church secretary.

8 3. In early 2005, I learned through a friend of an opportunity to invest money with Robert
9 C. Brown, Jr. and Trebor Company (collectively, "Brown"). At the time, my wife and I were in
10 difficult financial circumstances, in part, because we were anticipating that we may have had to take
11 over the primary care responsibilities of three of my nieces and nephews, in addition to our own two
12 children. I wanted to get into an investment that would improve my financial situation by providing
13 reliable monthly income.

14 4. In March 2005, I met with Brown at his office on Georgia Street in Vallejo, California.
15 Before the meeting, I had spoken with him over the phone. At the meeting and in our previous call,
16 Brown and I discussed the investment services he could provide. Brown told me that he would invest
17 my money in stocks. He told me about his "24-Month High Yield" program where I could be paid a
18 variable return of 21-30% every four months. I told Brown the details of my financial situation and
19 explained that I was on a strict budget. I told Brown that I needed to have an investment that would
20 provide reliable monthly income. Brown responded by telling me that, although the High Yield
21 program provided for payments every four months and he did not usually pay profits monthly, he
22 would make an exception for me due to my need for monthly cash flow, and thus he would pay my
23 returns monthly. He told me he also had a monthly payment arrangement with a couple of other
24 investors. We agreed that Brown would pay me on the 15th of each month.

25 5. During our initial meeting, Brown told me that my investment was "guaranteed." He
26 told me he always had money as a back up in case anything went wrong and that he would pay me out
27 of his own money if he had to. He said he never put all of his eggs in one basket. Brown said that he
28 had never lost money investing. Brown also said that he would pay the taxes on any profits I earned.

1 6. Brown told me that, to invest with him, I should take money out of my 401k retirement
2 account. On or about March 24, 2005, I withdrew \$10,000 from my 401k retirement account and
3 provided a cashier's check for the money to a Trebor Company employee. For this investment,
4 Brown and I executed a 24-Month High Yield agreement, which provided for returns of 21-30%
5 every four months, though Brown and I had orally agreed that I would be paid on the 15th of each
6 month as described above.

7 7. Shortly after my initial investment with Brown, Brown and I discussed the possibility
8 of me investing more money with him so that I could have more monthly income to meet my needs.
9 Brown told me that if I gave him more money he could give me a better return on my investment.
10 Brown said that I should give him all the money in my 401k account. In May 2005, I met with Brown
11 a second time to discuss investing additional money with him. At the time, I had approximately
12 \$100,000 in equity in the home I own with my wife. Rather than use my 401k money, I borrowed
13 \$50,000 on a home equity loan to invest the money with Brown in his "24-Month High Yield"
14 program. (Due to this investment and the decline in the real estate market in our area, I no longer
15 have any equity in my home.) Brown rolled my original \$10,000 investment into a combined
16 \$60,000 24-Month High Yield investment. A copy of the May 20, 2005, 24-Month High Yield
17 Agreement for my \$60,000 investment is attached hereto as **Exhibit 1**.

18 8. On May 31, 2005, to provide Brown the additional \$50,000, I requested that my
19 financial institution, Travis Credit Union, wire transfer \$50,000 to a Union Bank of California
20 account specified by Brown. A copy of the outgoing federal reserve wire transfer request for this
21 transaction is attached hereto as **Exhibit 2**. A copy of the wire transfer receipt for the transaction is
22 attached hereto as **Exhibit 3**.

23 9. When I invested with Brown he told me that I was the last person that he would let
24 join the "Trebor Group." However, after I invested with Brown, in approximately the summer of
25 2005, he called me and told me he was opening up the Trebor Group to more investors and that he
26 would give me a percentage of any investment from new investors that I referred to him.

27 10. Brown paid me monthly returns of approximately \$3,000 for a few months. However,
28 Brown's payments to me quickly became sporadic. Payments were late, and he would sometimes

1 miss a month. I had to call him on several occasions to request that he pay me. After 9-12 months of
2 sporadic payments, during which I estimate that Brown paid me approximately \$20,000, he stopped
3 paying me altogether (except for one small payment he may have made to me at a later date).

4 11. Attached hereto as **Exhibit 4** is a copy of a letter from Brown dated August 30, 2006,
5 which I received from Brown by shortly after that date. In the letter, among other things, Brown
6 claimed that Trebor Group members would receive payments. No such payments were ever made to
7 me. He also stated that group members would be "financially rewarded" with "gifts," but he never
8 paid me any such gift.

9 12. In December 2006, I spoke to "Vershun," an acquaintance of Brown who had once
10 hand delivered to me my monthly check from Brown. He told me to "hang in there" because he had
11 just gotten paperwork he was bringing to Brown's attorney showing that Brown would be receiving
12 more than \$300 million. Vershun said "it's real" and claimed that all of Brown's investors were
13 going to get paid. I never received any such payments from Brown.

14 13. Attached hereto as **Exhibit 5** is a copy of a letter from Brown dated May 18, 2007,
15 which I received from Brown by shortly after that date. In the letter, Brown states that payments of
16 "[i]ninstallments of principal and interest will begin in the month of June 2007 and will continue until
17 all capital has been received." I never received any such payments from Brown.

18 14. In 2007, after Brown stopped paying me, I called Brown's assistant, a woman named
19 Lynn, to find out when I would be paid. At the time I was on disability from work for back problems
20 and my wife was also on disability from her job as a church secretary. As a result our disabilities and
21 Brown's failure to pay us, our financial situation was even more dire than when I had initially
22 invested with Brown. Lynn told me to "hang on." She said that Brown had the money "tied up." She
23 said Brown had invested with "some ministers" and that I was "going to get something."

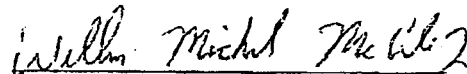
24 15. From October 2007 through January 2008, I received a series of e-mails from
25 individuals working with Brown. The e-mails conveyed messages from Brown regarding the general
26 status of the Trebor group investments. Copies of several of the e-mails are attached hereto
27 collectively as **Exhibit 6**. In these e-mails, Brown claimed to be in the process of obtaining money to
28 generate profits for his investors. I never received payments of any such profits from Brown.

1 collectively as Exhibit 6. In these e-mails, Brown claimed to be in the process of obtaining money to
2 generate profits for his investors. I never received payments of any such profits from Brown.

3 16. As described above, in total, I have received as payment from Brown approximately
4 \$20,000. Thus, Brown has not repaid approximately \$40,000 of my principal, nor has he paid me any
5 of the returns he promised.

6 17. On May 30, 2008, in part as a result of the dire financial predicament Brown's failure
7 to pay me monthly payments as he agreed has put us in, my wife and I filed a voluntary petition for
8 bankruptcy under Chapter 7 of the U.S. Bankruptcy Code.

9 I declare under penalty of perjury under the laws of the United States that the statements
10 made above are true and correct. Executed in Vacaville, California on July 14, 2008.

11
12
13
14 

15 William Michael McCombe, Jr.
16
17
18
19
20
21
22
23
24
25
26
27
28

Exhibit 1

TREBOR COMPANY

P. O. Box 166, Vallejo, CA 94590
Ph.707.557.4785 / Fx.707.644.2913

Bob Brown JR

PO 1166

Vallejo 94590

Mike
McLomb

24-MONTH HIGH YIELD AGREEMENT

The following agreement is being executed between Robert C. Brown, Jr.
and WILLIAM McLomb SR on the 20 day of MAY, 2005 at
VALLEJO, California.

The amount of 60,000⁰⁰ is invested by Robert C. Brown, Jr. for
a committed period of twenty-four months. Each four-month cycle will yield returns from
21%-30% (3 payouts/year). The payout will be paid to WILLIAM McLomb SR
on the final Friday of the fourth month.

Mike
(McLomb SR)

If WILLIAM McLomb SR should take out his/her principle before the
24-month period is up, WILLIAM McLomb SR will lose all profits. If part of the
profits have already been taken, the amount will be reduced from the principle.

WILLIAM McLomb SR must allow 45 business days to receive the money.

In the event that WILLIAM McLomb SR should pass away during
the lifetime of the agreement, the principle of 60,000⁰⁰, including the return
on the investment principle will be paid to the Beneficiary. Please allow 45 business
days to process this transaction. If ROBERT C. BROWN, JR. should pass away during
the lifetime of this agreement, his estate will pay the investment sum plus profits as
stated under the terms of this agreement. Please allow legal time from the time the
estate has cleared. **PLEASE NOTE: This agreement and 4-month cycle updates are for
your information only, and not to be used as a document for financial verification.**

[Signature] 5-20-05
ROBERT C. BROWN, JR. / DATE
(12/2004)

William McLomb 6/1/05
SIGNATURE(S) / DATE

Exhibit 2



OUTGOING FEDERAL RESERVE WIRE TRANSFER REQUEST

Wire Amount
\$50,000.00

<i>Name of Receiving Bank (or Pay-Through Bank)</i> UNION BANK OF CA	
<i>Address</i> VALLEJO CA	<i>Routing #</i> 1220-0049-6
	<i>Short Name</i>
	<i>Phone #</i> 707-556-8000

<i>Name of Receiving Bank</i>	
<i>Address</i>	<i>Routing #</i>
	<i>Short Name</i>
	<i>Phone #</i>

<i>Beneficiary Name</i> ROBERT C. BROWN JR	<i>Beneficiary Account #/Type</i> [REDACTED]
--	---

<i>Special Instructions</i>

<i>Member's Name</i> WILLIAM M. MCCOMBE JR	<i>Member's Account #</i> [REDACTED]	<i>Silver Wings?</i> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<i>Address</i> [REDACTED]	<i>Phone Number</i> [REDACTED]	<i>OFAC Verified</i> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	<i>Social Security Number</i> [REDACTED]	
	<i>Identification (Type & Number)</i> [REDACTED]	

Authorization and Acknowledgement

My signature here indicates agreement with all information on this Outgoing Federal Reserve Wire Transfer Request form and with the terms and conditions of the Wire Transfer Agreement on the reverse of this form. Travis Credit Union is authorized to rely on this request in making this funds transfer.

<i>Member's Signature</i>	<i>Date</i>
---------------------------	-------------

<i>Date Received</i> 05/31/2005	<i>Time</i> 1413	<i>Accounting Employee Notified</i>	<i>Cash Received</i> <input type="checkbox"/> \$10,000 CTR <input type="checkbox"/> \$3,000 Cash Log
---	----------------------------	-------------------------------------	---

<i>Received By</i>	<i>Approved By</i>
--------------------	--------------------

FAX Form and SHJE to FEDLINE Coordinator (Fax # 469-1969)

For Accounting Use Only

<i>Input by</i>	<i>Verified by</i>
-----------------	--------------------

Exhibit 3

SIERRA OFFICE SUPPLIES & PRINTING (916) 369-0491
SIERRA OFFICE SUPPLIES & PRINTING (916) 369-0491

442685
442686

QUESTIONS: (800) 877-8328

MEMBER'S COPY - KEEP FOR YOUR RECORDS

X _____
Signature

I.D. NO.

DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL.

TCU-356 (REV04/2004)

5813725 03:12:47 1994 74 10 11 00 00 00

60/36/50" 10 1/2

REF ID: A6731703 12861 1982

[illegible]

WILLIAM W. WOODWARD

2

E: 03-09-10
T: 01-06-05

Exhibit 4

ROBERT C. BROWN, JR.
TREBOR COMPANY
P.O. Box 1166
Vallejo, CA 94590

August 30, 2006

Dear Trebor Group:

When I started Trebor, it was my dream to create thousands of financially independent people and in some cases that has surely become a reality. However, due to the current political environment, and the signing by the President of the "Patriot Act", it has made it more than impossible to keep my promises. Believe me when I say it hurts me deeply!

I would also like to let each of you know that I am also going through this with you. I even have some of my own property under siege because I have been paying your taxes on the incoming capital. You must know that I have never lost any of your capital, nor will I now. The problem has been moving the money, and the volumes of transactions done at the bank. Again, this is due to the "Patriot Act".

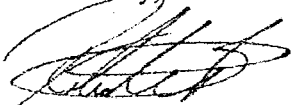
Nevertheless, we are coming to a positive close. The government can legally hold funds up to 60 business days because the money is coming from an international account. However, I have been assured that we will be receiving all the funds between the final week of September and the second week of October. All payments will be mailed out to each of you within 5 business days after we receive the funds. Your check will be paid from Tri B International, LLC.

For those of you who have been understanding and patient, you will be financially rewarded. I think that you will be pleased at the amount of these gifts. These gifts will be mailed within 15 business days of the receipt of your principal and interest.

Regretfully, I will be closing the group during that time. I want you each to know that I sincerely love the "Trebor Group". It was conceived on love, and to know that I have to close it, is one of the saddest times in my life.

Again, I thank you with all my heart for your patience.

Sincerely,



Robert C. Brown, Jr.

Exhibit 5

May 18, 2007

Dear Group Member:

This letter is to provide you with an update on the status of your loan. As you are aware, it has been my dream to create financially independent people through the Trebor Group.

We are in the final stages of transactions in order to begin disbursements of principal and interest, and we are working feverishly to meet all of our goals. In the past we have advised you of disbursement dates which did not materialize through no fault of ours. Please be assured that I too was disappointed when those dates passed without disbursements. However, I only passed on to you the disbursement dates which had been provided to me.

I have now been advised that it is reasonable to expect a check to be mailed to me between May 23rd and May 27th of 2007. From all information provided to me as of this date, these appear to be the dates we have all been waiting for. Installments of principal and interest will begin in the month of June 2007 and will continue until all capital has been received. Be sure to report all interest earned.

This office will have no further information to report until early June, at which time, Lynn or Brenda will notify you as to when disbursements of installments will be mailed.

It is not my intention to cut off communication with the group, but I think that everyone would agree that my priority is to focus on getting the funds to you as soon as possible. Therefore, all calls made to my cell phone are automatically forwarded to the office. Normal business hours for Lynn are, Monday thru Thursday 9:00am to 12:30pm. Brenda's hours are Monday thru Thursday 1:00pm to 3:00pm., and she can be reached at 775-333-6593. No calls will be answered on Friday, Saturday, or Sunday.

I sincerely thank you for your patience in this matter and I know that in the end it will all be worth it. (There will be future surprises for those who have been patient).

Sincerely,

A handwritten signature in black ink, appearing to read 'Robert C. Brown, Jr.', with a long horizontal flourish extending to the right.

Robert C. Brown, Jr.

Exhibit 6

Phone: 707-422-2342

This is the breakdown on how the loan I'm receiving will work

- 1. The money will be put in the lenders account.**
- 2. I will receive all profits every 5-6 business days.**
- 3. Money will be distributed every 7-8 business days**
- 4. Everyone will receive money twice per month regardless of the balanced owed, until all is paid back according to your agreement.**
- 5. I will receive notice from my lender by Thursday or Friday October 18th or 19th, when he receives his money for deposit.**
- 6. Remember, I will not be receiving a lump sum of money in my pocket. I'm only able to receive money on weekly profits.**
- 7. I will send out more information by the 19th of October.**

you for your patience,

C. Brown, Jr.

Thank

Robert

--

Robert C. Brown, Jr.
P.O. Box 1166
Vallejo, CA 94590
Phone: 707-422-2342

UPDATE: I have conformation (with various "funding" dates) from two Accredited Private Lenders who has agreed to make available into an account for generating profits.

The 1st Accredited Private Lender is making FUNDS available to me to start generating profits in the markets by Wednesday the 24th of October, 2007 (provided no last minute mandatory Administrative matter). It will take "three" Business days to settle the account after profits are generated plus "two" Business days to make profits available for distribution.

I received conformation on the 17th of October, 2007 that the second Accredited Private Lender will fund the account for generating profits on the 26th of October 2007. As soon as the profits are made available for distribution the group will be notified ASAP.

There is a third Accredited Private Lender with a small group of participants, who will notify me by the 30th of October, 2007 when their funds will be available for generating profits.

QUESTION: I have been asked "why" funds are borrowed from Accredited Private Lenders to pay back all loans plus what's owed to all Participants.

Answer: The LOANS made to me by Participants, was used to make even larger profits for all Participants. As a result of the decision made by me on behalf of all Participants, the return of "LOAN" proceeds plus profits is uncertain at this time. After it became apparent that the "LOAN" proceeds plus profits were untenable, I made arrangements with Accredited Private Lenders to make available to me funds for generating profits to "replace" funds of the Participants in lieu of Participants waiting until January 2008 or anytime longer(for Participants Loans plus profits). I using my skills researching the markets to generate profits with the proceeds provided by the Accredited Private Lenders. I'm "on the hook" to all Participants for their LOAN proceeds plus their profits. My single number one "GOAL" is to return all "LOAN" proceeds plus profits to all Participants. The Accredited Private Lender's loans are backed by the profits of all Participants "LOAN" proceeds that have yet to be released. In the meantime, additional Accredited Private Lenders have expressed a desire to make funds available for me to use my skills researching the market to generate profits. As each Accredited Private Lender makes funds available to me, the faster I can generate larger and larger profits. The larger

the profits generated, the faster I can distribute "LOAN" proceeds plus profit to all Participants.

Note: This arrangement is designed to speed up the process of getting "LOAN" proceeds plus profits returned to each Participant ASAP. This will require me to focus completely on the movement of the market each day for research and generating profits. Any other time I have available is used mostly to make arrangements with Accredited Private Lenders. That leaves me with very little time to make individual phone calls to Participants.

I will (and/or, have already made) contact some people by phone, as time permits. To allow me to utilize my researching and profit generating abilities to the maximum, I ask that Participants refer all calls to the office number, 707-422-2342 and leave your name and number on the voice message. I have two assistants who will return phone calls to Participants, in a speedy timely manner (48 hrs). This will free my phone time to concentrate on generating profits and making arrangements with additional Accredited Private Lenders.

IMPORTANT: This is a very specific update, with **TIMING** known to me. Please understand that, at this point, there is nothing that should cause a change in the next coming week or two, unless it is a more rapid release of profits. If that occurred, Participants will be notified by fax or email.

I will continue to communicate (phone, fax, email) as profits are releasable.

After release of the Accredited Private Lenders LOAN-related proceeds, I am hoping for the next set to arrive the following week, then each week getting larger and larger so that each Participant can benefit from the proceeds and everyone can resume to some normal living.

My Attorney will mail out all proceeds to all Participants as funds become available. Each Participant will receive LOAN proceeds issued in the form of a cashiers check. This will speed up the process without any delay.

NOTE: Finally, it appears that a few Individuals expect a daily update. Please take notice that an update will be given if there is any news, or change in news, that I believe Everyone should know. If there is no update, then there is no change in news. (Next update when Profits will be released, by the end of October provided no mandatory Administrative matter)

You will be rewarded for your continued patience!

Thank you!
Robert C. Brown, Jr.

Pendrey, Jeremy

From: Mack McConnell [sovereignty@ureach.com]
Sent: Friday, November 02, 2007 4:05 PM
To: Alisha
Subject: Bob Brown (Payout Update)

**Robert C. Brown, Jr.
1166 Georgia St.
Vallejo, CA 94590
Phone: 510-243-1440**

UPDATE: It has been confirmed that the second "Accredited Private Lender" has funded their account with a substantial amount that will be made available to generate profits starting the week of November 5, 2007. It will take the entire week to generate daily profits in the markets. Once this account is settled, it will take three business days for profits to be released then another two days for profits to transfer, and then payouts will commence to Participants, thereafter.

This is not a "delay"; it is just the business of liquidating a position. I can only control funds when those funds are totally within my control.

This process will repeat itself every week. As additional "Accredited Private Lenders" fund their accounts then make funds available to generate profits. The profits generated each week will steadily increase. All "Participants" will receive a payout as soon as those funds are made available then every other week until all loans are paid according to the terms of each agreement. I do not have a choice and/or play "favorites" for payouts. Please understand.

Virtually everyone has stated that they believe that they should be first to be paid. Since everyone is important, I understand. However, I will make distributions as required ASAP and/or to minimize problems for all Participants.

I apologize to any Participant who does not appreciate the time in which assistance has been (and is continuing to be) made by me. I'm making this effort (as well as the intent to reward Participants) as promptly as possible.

The second piece of good news is that I am setting up a computerized database and tracking system that will give me the ability to be much more efficient with everything. The two people that I have inputting all the names and account information have requested your help. Because of handwriting, misspellings, voice messages that are hard to understand, it would be BEST if everyone would TYPE and fax or email the following:

- Name the account is in.
- Their mailing address.
- Best Phone number.
- Best Fax number.
- One email address.

Their fax number is 877-221-4306, their email address is sovereignty@ureach.com, and their phone number is 510-243-1440, please use this number only to confirm receipt of your contact information for the database as this is their only task for right now. I have to have all of your information in this database no later than November 16, 2007. Your help with making sure the database contact information is correct would be greatly appreciated.

4/30/2008

Thanks you for your continued support

Robert C. Brown Jr.

4/30/2008

Pendrey, Jeremy

From: Mack McConnell [sovereignty@ureach.com]

Sent: Friday, November 16, 2007 5:15 PM

Subject: November 16, 2007 Status update

This is Michael, I have spoken to many of you in the past two weeks, thank you for calling in to confirm your contract information has been received and complete in the new computerize database contact manager. If you have not sent in your contact information please do so. The items we need for the database are as listed(**Name your agreement is in, your mailing address, phone number and email address or dedicated fax line**). We do not want anyone's BANKING ACCOUNT information. With this many people the BEST way to get the updates out would be via email or fax(Dedicated lines ONLY). Our email address is **sovereignty@ureach.com** and our fax and voice message number is **877-221-4306**.

Payouts,

Per Bob's agreement with the new account holders, his consulting fee(which is the monies used to make payouts)would be a percentage of the profits generated on those accounts. On November 7, 2007 and for the next two days the market started going down. This week has been a slow recovery, and Bob has to hold his position and therefore there are no profits as of today to make any payouts. When there are changes to the status of any payouts you will be notified by this email or fax system, there will be no need to call.

Thank you for your patience,

Michael

4/30/2008

Pendrey, Jeremy

From: Sovereign Equity Group, LLC [sovereignty@ureach.com]
Sent: Saturday, December 01, 2007 4:05 PM
To: William McCombe
Subject: Bob Brown Update November 30

FYI

My most sincere wishes to you for a restful and joyous Holiday Season.

I have been asked for updates at a faster pace than they occur, especially during a Holiday time when everything tends to slow down in the markets.

Please take notice that the markets have experienced an excessive amount of volatility (up and down share value) especially over the past month. The largest "Private Lenders Account" was exposed to the market downturn starting on November 7th, ending November 9th. The market downturn over that three day period in early November, impacted the share price and overall value, negatively. The necessary account features needed to protect profits and value wasn't available for the account when it was created.

As a result of this negative impact, all profit generating activity on this account has ceased, until the share price improves enough to resume generating profits. The target price for CSCO to resume profit generating activity is (\$30 per share).

In other developments, the process of finalizing (it is believed that), three new "Private Lender Accounts" for generating profits will start by the first or second week of December. Full profit generating capabilities with all new and existing "Private Lender Accounts" will eliminate future negative impacts similar to those that occurred over the three day period, in early November. All profit generating activity on new "Private Lender Accounts" will be free of any restrictions or limitations related to current share price. Profit generating activity will start on each account as soon as it gets funded.

After profits are generated, the time table for liquidation of profitable position is still 3 days then two days for funds transfer and finally distribution to "Participants".

DISTRIBUTIONS Due to the market downturn in early November and the negative impact on the largest account, I DO NOT HAVE IN MY POSSESSION any Proceeds or Profits **yet**. As such, until profits are generated and I have in my possession profits available for payout, I am not able to provide any Participants with an exact date for Profits or Payouts.

However every effort is being made to generate enough profits for distribution to all "Participants", before the holidays start next month.

4/30/2008

Much thanks for your patience and understanding.

Robert C Brown Jr.

4/30/2008

Pendrey, Jeremy

From: Sovereign Equity Group, LLC [sovereignty@ureach.com]

Sent: Sunday, December 16, 2007 9:32 AM

Subject: Mr. Brown 12/14/2007

Hello Everyone,

I spoke to Mr. Brown once this week, and he has been meeting with individuals these past two weeks, working to sign agreements as an advisor to them for a fee. Keep in mind, that fee, is what he will be using to make payouts to us. Those individuals are interested in doing so, now they have to set up THEIR accounts.

I know everyone would love to have some or more money for the holidays, but I would not look or hope to see any if I were you before the end of this year. Some people have emailed or left voice messages asking to have Mr. Brown call them, I understand wanting that, but there is only one thing he needs to be doing and that is getting the money flowing. So don't make yourself even more angrier by thinking he will call you. He knows what you are going to say and at the end of all of that, all he can say is I'm working on it.

FYI, I would not be helping out at all, if it weren't for two things. One, he is doing something(the best he knows how) and the other is the plan that he is trying to implement can work, but that doesn't mean it will work without running into to bumps alone the way. We all have tried to do something and found out we had to make some correction alone the way.

I hope you all have the best holiday season you can, but remember, take charge of what you have control over. Whatever you are trying to have and do in life, don't wait on someone else. Mr. Brown can work this out if given time to work out the knits. It would be in our BEST interest to continue to give him time. That's my option.

Michael


4/30/2008

Pendrey, Jeremy

From: Sovereign Equity Group, LLC [sovereignty@ureach.com]

Sent: Sunday, December 23, 2007 1:20 PM

To: [REDACTED]

Subject: Bob Bown Update December 23

FYI

My most sincere wishes to you for a restful and joyous Holiday Season.
This is the most recent update, especially during a Holiday time when everything tends to slow down in the markets.

Please take notice The largest "Private Lender's Account" that was exposed to the market downturn starting on November 7th, ending November 9th has received additional funds into the account. Profit generating activity on this account has will begin as soon as possible.

After profits are generated, the timetable for liquidation of profitable position is still 3 days then an additional two days for funds transfer and finally distribution to "Participants".

DISTRIBUTIONS Due to the holidays, I STILL DO NOT HAVE IN MY POSSESSION any Proceeds or Profits **yet**. As such, until profits are generated and I have in my possession profits available for payout, I am not able to provide any Participants with an exact date for Profits or Payouts.

However every effort is being made to generate enough profits for distribution to all "Participants".
Much thanks for your patience and understanding.

Robert C Brown Jr.

4/30/2008

Pendrey, Jeremy

From: Sovereign Equity Group, LLC [sovereignty@ureach.com]
Sent: Tuesday, January 15, 2008 11:15 AM
Subject: Robert C. Brown Jr. Update 1/15/08

Update

Happy New Year everyone and I do mean Happy New Year! It has been a long wait for all "Participants". At this point, another explanation is in order so all "Participants" can better understand what's happening with my attempt to generate profits with "Accredited Private Lender" accounts.

For the past six months the stock market and the financial markets worldwide has been affected by the slowing U.S. real estate market, a declining dollar and the sub prime mortgage meltdown. The stock market is sensitive to uncertainty especially when a possible recession can occur. Because of market uncertainty, my ability to generate profits has required me to explore a different profit generating strategy that can work best in this type of environment. It's impossible to predict how long these market challenges will last. Thru recent trial and error I have identified a strategy that will work best in this type of environment. In order for me to generate consistent profits, I'll need more time to make minor adjustments to this profit generating strategy. I would like to ask for your continued patience and support.

This new profit generating strategy is on pace to have funds available starting this month and finishing all payouts to "Participants" by the end of February. I have started generating profits on a small loan, however; this is a "test loan". Once I do well generating profits, I will receive additional funds from the same "Accredited Private Lender" that will be larger than all the "Accredited Private Lenders" combined as well as all "Participants". The profits I create from this "monster loan" will allow me to payout all "Participants" within 60 business days. So far the profit generating strategy with the small "test loan" is going extremely well. At any given time this "Accredited Private Lender" will test removing from the account, the small "test loan" with a profit. Anytime afterwards, the "Accredited Private Lender" will transfer the "monster loan" into the profit generating account. This could happen between now and the end of the month. I will have the full use of this "monster loan" for 60 business days. This gives me plenty of time to generate enough profits with my new strategy to payout all "Participants", including your profit.

As for the entire "Accredited Private Lender" accounts that were affected by the market downturn back in early November of 2007, I liquidated each account at a loss so I could use my new profit generating strategy with each account. It might take me 3-4 weeks to begin realizing a profit because I liquidated each account at a loss. This decision to liquidate was better than waiting longer for those accounts to recover with the market. I had to take a step backwards in order to move forward. Your continued patience is greatly appreciated.

4/30/2008

Please understand, I do need focus for the next 3-4 weeks without distractions. Iâ€™m also asking that you refrain from all the calls and emails to Mack and Michael. They canâ€™t tell you any more than I have to tell you in this updated message. They are responsible for updating your account contact information so that when there are profits available, each Participant will receive their payouts in a timely manner. Expect (2-4 payouts) y immediately following our receipt of profits from the monster loan.

Meanwhile, for those Participants who have been patient and remained positive, expect future goods things to come. We all want our money, including me.

P.S. I would like to share with many of the Participants who have spoken with Lynn Hooks by phone that she is facing difficulties following major surgery and may our thoughts and prayers go out to her.

Once again, I reiterate your continued patience is greatly appreciated.

Robert C. Brown Jr.